

PERAC

COMMONWEALTH OF MASSACHUSETTS | PUBLIC EMPLOYEE RETIREMENT ADMINISTRATION COMMISSION

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MEMORANDUM

TO: Blue Hills Regional School Retirement Board

FROM: Joseph E. Connarton, Executive Director

RE: Approval of Funding Schedule

DATE: October 29, 2018

This Commission is hereby furnishing you with approval of the revised funding schedule you recently adopted (copy enclosed). The schedule assumes payments are made on July 1 of each fiscal year. The schedule is effective in FY19 (since the amount under the prior schedule was maintained in FY19) and is acceptable under Chapter 32.

The revised schedule reflects a reduction in the investment return assumption from 7.50% to 7.35% and an adjustment to the fully generational mortality assumption.

If you have any questions, please contact PERAC's Actuary, Jim Lamenzo, at (617) 666-4446, extension 921.

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Blue Hills Retirement System January 1, 2018 Actuarial Valuation

Appropriation increases 7.1% through FY31 with a final amortization payment in FY32

<u>Fiscal Year</u>	<u>Normal Cost</u>	<u>Amort. of UAL</u>	<u>Amort. of 2003 ERI</u>	<u>Total Cost</u>	<u>Unfunded Act. Liab.</u>	<u>Total Cost % Increase</u>
2019	268,810	231,465	24,367	524,641	4,006,051	
2020	280,906	252,101	25,463	558,470	4,025,860	6.4%
2021	293,547	277,965	26,609	598,121	4,023,796	7.1%
2022	306,756	306,025	27,806	640,588	3,992,585	7.1%
2023	320,560	336,452	29,058	686,070	3,927,672	7.1%
2024	334,986	369,430	30,365	734,781	3,823,981	7.1%
2025	350,060	405,158	31,732	786,950	3,675,863	7.1%
2026	365,813	443,851	33,160	842,823	3,477,038	7.1%
2027	382,274	485,737	34,652	902,663	3,220,529	7.1%
2028	399,477	531,064	36,211	966,752	2,898,601	7.1%
2029	417,453	617,938		1,035,391	2,502,678	7.1%
2030	436,238	672,666		1,108,904	2,023,268	7.1%
2031	455,869	731,767		1,187,636	1,449,872	7.1%
2032	476,383	770,886		1,247,269	770,886	5.0%
2033	497,821			497,821	0	-60.1%

Appropriation payments assumed to be made July 1 of each fiscal year.

Normal cost assumed to increase 4.5% per year.

Assumed expenses of \$90,000.

FY19 amount maintained at level of current schedule.